



THURLASTON
PARISH COUNCIL

01 June 2023

CIL Consultation
Development Strategy Team
Town Hall
Evreux Way
Rugby CV21 2RR

Dear Sir,

Draft CIL Charging Schedule

I write in response to your mail of 7th May to Thurlaston Parish Council inviting input to your CIL consultation.

It is good to see your proposal to introduce the CIL to the borough, although it is tardy by comparison to other local authorities. Warwick District Council, for instance, introduced the CIL in 2017.

The Rugby Local Plan 2011-2031 is estimated - in your 'CIL Infrastructure Funding Gap' document of spring 2023 - to require approximately £118M in infrastructure funding. So, whilst the proposed CIL is welcome it makes little difference (~8%) to the funding shortfall in its present form. By way of context, RBC's council tax revenue was only about £8M in 2021/2022 according to your published accounts, so the infrastructure funding gap soaks up over 70% of the council tax revenue.

Your proposal relies on BNP Paribas' "Community Infrastructure Levy Viability Assessment Review" in setting rates. On page 5 it recommends zero rating the South West Rugby development on the grounds that "these sites will have to bear this significant direct cost, there is no additional capacity to apply CIL to these schemes". The direct cost referred to is the estimated infrastructure development cost that was used to calculate the £118M gap (Appendix K of the South West Masterplan Supplementary Planning Document).

There is no evidence either: that cost recovery under S106/S278 agreements will meet anything other than a small part of the cost; or that there is no commercial room to charge a CIL and still leave the development profitable. The paragraph 'Strategic Sites' on page 5 of the BNP Paribas review is therefore entirely incorrect.

It is hard to know what the cost recovery from the South West Rugby developments will be. There is no information on proposed S106/S278 agreements for, for example, application R22/0853 for 350 dwelling houses. The only agreement I have found is for Tritax warehouses units 1 and 2 immediately to the south of this development which provides less than £300,000. Since warehouse construction costs are around £1,000/m², this is a trivial contribution from a



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development of over 30,000m² , i.e. *less than 1%*. So, it is hard to have confidence that any significant cost recovery will be made from S106/S278 agreements.

I would therefore strongly encourage RBC not to exempt its strategic developments from the CIL. I would also suggest that you revisit the zero rating of commercial and business development (excepting retail space).

Yours faithfully,



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Thurlaston Parish Council
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Parish Clerk and RFO
Thurlaston Parish Council